

House-passed bill that leaves Colorado behind, a bill where the House arbitrarily stripped out the money that would help our struggling communities in Colorado, and we are told this bill is unamendable. We are told the House has drawn a line in the sand and won't take any changes. Like my senior Senator, I am stunned by this and profoundly disappointed.

So let me tell my colleagues what this means for the people of Colorado. The Waldo Canyon and High Park fires in the summer of 2012 were the first and second most destructive fires in Colorado's history. They tragically resulted in the loss of life for several Coloradans. The fires destroyed hundreds of homes and caused millions of dollars of damage to critical infrastructure and some of the worst and most lasting damage to our watersheds. As anyone from Colorado or the West knows, our watersheds and the clean water they provide are the lifeblood of our communities.

Here is a hilltop that was completely devastated by the fires of 2012 and a road near Fort Collins that was overrun with sediment and debris in a mudslide after the High Park fire.

Here is the Poudre River after the fire, running completely black as the sediment, ash, and soot are washed off the singed hillsides into the water. This river provides drinking water for the cities of Fort Collins and Greeley, CO, home to one-quarter of a million people—home to 250,000 people—and home to agriculture and businesses that rely on having clean water to get through the day.

I recently met with the water providers at the treatment plant for this area, situated just yards from the charred mountains. They showed me a mason jar of black water, just like this. It could have been pulled directly from the Poudre. That is, unfortunately, because of our inaction and our foolishness, our shortsightedness, and that is what communities can expect if we don't start recovery work in these watersheds.

The resources provided under the USDA's emergency watershed protections—the EWP Program—would directly help these communities in Colorado. We fought for those resources, for the EWP Program, in the Senate bill last December, and reason prevailed. Republicans and Democrats came together and said: We understand the people of Colorado need this; they need our help. And I again thank our friends on the Senate Appropriations Committee for helping to make that happen. Yet we stand here today with a bill that doesn't include these funds, the funding stripped out, while an unmet need of \$20 million persists in Colorado alone. And it is not just our State, there are 51 other projects across 19 other States that need these resources to recover from their disasters. This is a major national issue, and it is crazy that we are standing here in this position today. Lest any-

body think this is a decision that somehow is fiscally disciplined, let me stand on this floor and guarantee you that as these hillsides wash into the river in the spring snowmelt, the cost of restoring these water treatment plants, the cost of making sure we have clean water will dwarf the \$20 million we are talking about today.

To conclude, it is incredibly unfortunate, given the history we have in this country of coming together after a disaster, that the House would not follow our lead in the Senate and provide us these resources. There are reasons we are the United States of America, and one of those reasons is that we come to each other's aid at moments of natural disasters and help our friends and neighbors in other States. We make sure they get through to the next year.

Perhaps adding insult to injury is that funding for Colorado was stripped under the rationale, as I said, that the House was somehow being fiscally responsible, even though the exact opposite is true. The reality of this situation is that it is fiscally irresponsible because we can say with 100 percent certainty that the cost of fixing these problems later will be significantly more than it is now. So an ounce of prevention in this case is clearly worth a pound of cure. Any household or small business understands that making these investments today is the right move, instead of just waiting for the next disaster to happen, instead of waiting for matters to get worse, although that is the habit of this town, as the Acting President pro tempore will come to learn. The House just couldn't put rigid ideology aside and do something for the country as a whole.

Mr. President, I am not going to oppose the Sandy bill. We need to help our fellow citizens on the east coast. But this is a real head-scratcher for me and I know for the senior Senator from Colorado, even for this place. We are going to continue to work with our colleagues in the Senate to get these resources signed into law, but the fact is we had it done. We had it done in the Senate, in a bipartisan way, with the help of our friends on the Appropriations Committee and both Republicans and Democrats on this Senate floor. The House of Representatives let Colorado down, and now we are going to have to go back and find a way to make it right.

With that, Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CORNYN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## THE NATIONAL DEBT

Mr. CORNYN. Mr. President, in 2008, a prominent Democratic politician said that adding \$4 trillion to the national debt was "irresponsible and unpatriotic."

In 2009, this same politician said, "I refuse to leave our children with a debt they cannot repay. We cannot simply spend as we please."

Again, in 2010, this same individual said, "It keeps me awake at night looking at all that red ink."

Then in 2011, he echoed the statements of the Chairman of the Joint Chiefs of Staff, ADM Mike Mullen, when he said, "The greatest long-term threat to America's national security is America's debt."

And then finally, in 2012, this same politician said he was running for reelection "to pay down our debt in a way that is balanced and responsible."

Well, you might have guessed who this was. These are statements made by President Barack Obama.

Unfortunately, the President's actions have not come close to matching his own rhetoric. Since he took office, the gross national debt has increased by nearly \$6 trillion. Indeed, the President has served at a time when we have accumulated far more debt than any other President in American history.

After spending his first term maxing out America's credit card, the President is demanding yet another increase in the debt limit. The President argues he is merely asking lawmakers to pay the bills that have already been racked up. And he continues to blame others—certainly not himself—for trillion-dollar annual deficits and skyrocketing debt. But he fails to acknowledge that his stimulus bill borrowed more than \$1 trillion, increasing the debt by that amount; and, secondly, that Obamacare will spend more than \$2 trillion in its first decade.

Those on this side of the aisle, Republicans, have shown our willingness to pass a budget that stabilizes our public finances. Indeed, I applaud the reaction of the White House and of Democrats in the Senate saying that for the first time since 2009 they are willing to take up and pass a budget in the Senate—the first time since 2009. It is long overdue but welcome news.

Likewise, we are willing to make compromises—not on principle, but we are willing to find common ground, and we are willing to take tough votes. Indeed, that is part of the budget process because we know—whether it is a family budget; whether it is a small business; whether it is a county, city, State or the Federal Government—priorities have to be established in a budget because we know they always involve tough decisions: What is the most important? What do you have to have? What are the things you want but you need to delay because you don't have the money to pay for it now? What are the things you would like to have but you simply cannot afford?

Those are decisions that are made by every family in America on a daily

basis, and the Federal Government, particularly the Senate, has not been willing to make those sorts of hard choices since 2009.

In this cloud I guess there is a silver lining. Finally, we are going to see some movement in the Senate which is long overdue. The only way, though, to get the real spending cuts we need to bring our budget into balance and real deficit reduction over the next 4 years is if the President takes the lead. This is not something Congress can do without the President. We need the President's leadership and, indeed, that is something that many of us on a bipartisan basis have been looking for since the Simpson-Bowles Commission report came down in December 2010. I am still astonished that rather than embrace that bipartisan commission report—not all of which I agree with, by the way, but at least it was a start. The President could have done something important that had bipartisan support, and it actually would have enhanced his chances of getting reelected because people would have seen it as statesmanship and leadership.

We have had an unfortunate set of experiences here as recently as the end of last year, New Year's Eve, because we approached a manufactured crisis, a deadline known as the fiscal cliff. But I don't think anybody in America, certainly not anybody in this body, wants another 2 a.m. Senate vote—not because it is inconvenient, but because it is not a good thing in the people's House, the Senate and the House of Representatives, to be voting in the dark of night when people are not able to watch. Nobody wants another cliff hanger that weakens public trust in our government or in our willingness to meet our responsibilities. Most of all, no one wants another credit downgrade. This is important.

The President talks about the importance of lifting the debt ceiling because he said we do not want to suffer another downgrade in our credit standing. But, indeed, one of the reasons we have already suffered a negative response to our credit rating is because we have not dealt with the real problems that confront our country, the \$16.4 trillion in debt, and we have not come together in a bipartisan way to save and preserve Social Security and Medicare and to keep the promises that we have made to our seniors. That has caused the credit downgrade.

Most of all, what Americans want, I believe, is a serious, good-faith, open, transparent discussion over America's long-term budget strategy. They want both parties to work together. Ironically, the best time to actually do that is when we have divided government, like we have. They want both parties to demonstrate that we are capable of having an adult conversation about balancing our budget.

Unfortunately, the President has given very little indication that he is prepared to negotiate on these important issues. Indeed, his inaugural

speech, eloquent as it was, barely mentioned the preeminent challenge facing America today; that is, our \$16.4 trillion debt and millions, tens of millions of Americans either unemployed or underemployed. The President barely touched on those issues.

Instead, at a recent press conference the President suggested that certain unnamed Republicans really do not care about poor children, the elderly, or medical research. Rather than taking the high road of Presidential leadership, unfortunately, the President chose the low road. This is the same President who frequently bemoans the poisonous atmosphere and toxic partisanship of Washington, DC.

When President Obama is ready to quit slandering his opponents and quit knocking down straw men, when he is ready to make serious arguments and serious compromises, we might finally be able to work together to make some real progress on long-term fiscal consolidation. Americans are yearning for that kind of leadership. They are yearning to see real solutions to the challenges that face our country. They are looking forward to seeing concrete proposals from the White House that cut spending and reduce our national debt.

The President said he wanted a balanced approach. He wanted revenue to go along with the cuts and the reform of Social Security and Medicare. The President got his pound of flesh in the fiscal cliff negotiations. Unfortunately, because of the expiration of a number of temporary tax provisions, taxes were going to go up in the \$3 trillion-plus range, if Congress did nothing. We were able, fortunately, to mitigate some of that and to eliminate tax increases on the vast majority of Americans and to make many temporary provisions permanent. But it is going to require genuine leadership from the President, which I hope he will provide soon, because Americans cannot afford to wait much longer.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

Mr. COATS. Mr. President, I appreciate the remarks of my colleague from Texas. I want to add my thoughts to much the same issue. I rise, once again, to address what I believe and what many believe is the most important issue that faces this Congress and faces the Nation as a whole; that issue is, the out-of-control Federal Government spending that continues to pile up unsustainable debt and threaten our economic future.

Both Republicans and Democrats and conservatives and liberals have acknowledged that unless we get the debt under control, we will eventually reach a tipping point where investors either stop buying our debt or insist on higher interest rates to account for their greater risk. This can trigger a crisis of confidence, a crisis that would likely happen if we do not take action, and take action soon to address this problem.

We have witnessed what happens in a number of European nations. Greece comes to mind, of course. That country is in chaos based on promises made that cannot be kept, based on spending that could not be covered, based on a country that defied the math and the laws of economics. But it is not just Greece. I just heard earlier this morning the latest numbers on unemployment in Spain: over 25 percent and rising among all workers, and for those under the age of 25—those coming out of universities and colleges and the educational system looking to start their lives and begin their roles as breadwinners, the providers for their families and holding down a job so they can participate in life as people capable of paying their bills, buying a house, getting married, raising their children, and providing for their education—that number for those young people is over 55 percent. More than one of every two young people in Spain is without employment—on the streets, nothing to do, no job to go to every day.

We see the austerity measures having to be imposed in the United Kingdom. Italy is in and out of the news in terms of its financial status. There are questions about France, questions about other countries. Germany is struggling along with very little growth, even though it is seen as an economic provider and dynamo, at a level of growth which is so anemic there are questions raised as to whether and how much it can do to help the European situation. But even aside from the potentially catastrophic debt bomb that continues to tick away, if we fail to get spending under control in the short term, our economy will remain in the doldrums because of this cloud of economic uncertainty it creates among businesses, investors, and consumers—created by our inability to grasp the fiscal plight of our excessive and reckless spending.

The fact is that we are not going to be able to get our economy out of the rut we have been in unless we tackle the Federal Government's spending addiction. Washington's reckless spending and failure to produce even a budget plan over the last 4 years undermines confidence in our economic prospects and causes investors, businesses, and consumers to sit on the sidelines rather than take risks with their money. As my colleagues know very well, our spending addiction in Washington has at long last led us to the point where we now face the process of record deficits as far as the eye can see into the future, a spiraling Federal debt that is now nearly \$16.5 trillion, and a possible further downgrading of the credit rating of the United States.

Were interest rates not being held at historically, artificially low levels by the Fed we might already be facing our day of reckoning. According to the nonpartisan Congressional Budget Office, even a 1 percentage point increase in interest rates would add \$1.3 trillion to our debt over a period of 10 years. If borrowing costs return to their 20-year

average, which certainly they will at some point, deficits over the next 10 years will increase by \$4.9 trillion. If interest rates were to rise to the level of the 1980s, the total U.S. debt in 2021 would be \$5.3 trillion greater. That is \$5.3 trillion in new debt that would occur without any changes in spending or taxes. Interest rates would simply drive our debt out of control.

Make no mistake that this is a spending problem and not a revenue problem. The President campaigned on the false narrative that taking more from the top earners would alleviate the economic burdens we face. As a result of winning the election, he was able to get higher taxes on Americans at the higher end of the income scale. But no one is fooled and math does not lie. Increasing taxes on higher income earners is not going to make much of a dent in our \$1 trillion deficits.

The fact is, even if the President had received all of the revenue from the expiration of all of the 2001 and 2003 tax cuts in tax rates, Federal revenue would have come in at this historical average of just over 18 percent of GDP, but spending continues to rise, on average, 23 percent of GDP over the same period of time—more than 2 points ahead of its historical average. Thus, the problem: the fact that we are spending more than we can afford. We are spending more than we receive.

Actions speak louder than words. President Obama may talk about the need to rein in spending—although lately he has even rejected that—but his administration refuses to act. Instead, the President started off his second term doubling down on—what? The need for more taxes. Are not the American people being taxed to death? It is not just the Federal income tax, it is the State tax added to that, it is the sales tax, it is the excise tax, it is the car tax, it is the alcohol tax—it is any number of things that add up to a burden of taxation on the American people that is severely hampering our ability to grow and our economy to provide the necessary employment and the necessary jobs for people so desperately in need of and looking for that work.

While the President has not truly recognized that spending is the problem, the business community has. A recent survey of chief executives said they are considerably less optimistic about the short-term growth process for their companies than they were just a year ago. The reason is uncertainty. The business community does not have confidence in the growth prospects for our country because there is little confidence that Washington can get its act together and deal with the spending crisis that is dragging down this economy.

In an atmosphere of uncertainty, investors, businesses, and consumers proceed with caution. They hold back in making significant investments or expenditures. Also, they don't hire people, and they will not until they get more clarity about the future and our ability to address our problems.

As I traveled across Indiana and talked to business owners' large, small, and in between, as well as farmers, to owners of restaurants, to CEOs of major companies, they all said the same thing. They all said the lack of certainty and the prospects for the future—unless we get control of our spending—are such that they have no choice but to just sit on their hands and hold back.

The big credit agencies are saying the same thing. They know that without significant spending reform and spending cuts the United States will be unable to pay its bills at some point. Refusing to make the tough choices now just hastens the day of reckoning when markets decide the United States has become a bad credit risk. Standard & Poor's, Moody's, and Fitch Ratings all have a negative outlook on the United States' prospects and are threatening a further downgrade of our credit rating unless we get our fiscal house in order. Other downgrades would follow in short order: Fannie Mae and Freddie Mac, as well as many State governments. As a result, this would irreparably damage many State and local pension funds. They are all at risk.

It is a nightmare scenario that is not far away from happening if we don't start getting a handle on our reckless, runaway spending. We need to get a handle on it now not later. There is no more reason for excuses. We have done all we can on the revenue side. The President got what he wanted. He got his taxes, but now is the time when we need to focus on the real problem, which is runaway spending. Big spending and small, everything from the need to reform our mandatory entitlement spending to the smaller, duplicative, wasteful, yet important, spending that Washington specializes in and is not necessary particularly at a time of austerity.

I intend to get into some more detail about spending reforms in future speeches, but the overall point is undeniable: Unless we get our spending under control, we are going to continue to stagger forward with a weak economy, high unemployment, and draw ever closer to the day when our investors and creditors lose faith in our ability to pay our debts.

The next time I come to the floor—and I am not sure when since it depends on what our schedule might be—I want to talk not about what DAN COATS is saying, not what the Senator from Indiana is saying; I want to talk about what others are saying. I want to hear from those who are not saying it from a political perspective or trying to reflect their party's position but from those who spend their time analyzing our current situation. I want to hear from those who understand the map of where we are and what the implications and consequences are for our country. I don't just want to hear statements by those of us here but statements made by others and the im-

portance and need for us to address this most serious of problems and challenges.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I ask that following my remarks, the senior Senator from Rhode Island be granted permission to speak.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### MEDICARE AND MEDICAID REFORM

Mr. HATCH. Mr. President, I rise to speak on a matter that is of the greatest importance. Our Nation is on an unsustainable fiscal path. The national debt stands at a current whopping \$16.4 trillion with annual trillion-dollar deficits having become the norm with the current administration. Put simply, unless we change our course, our debt threatens to cripple our economy and saddle future generations with bills they will not be able to pay.

Federal spending has been growing and will continue to grow at a rate that outpaces government revenues by leaps and bounds. Despite some claims to the contrary, the difference simply cannot be made up by increasing taxes. We do not face a problem with not taxing enough in this country; we have a spending problem.

Moreover, in the runup to the fiscal cliff, we had a national discussion on increasing taxes. Taxes were increased and the revenue discussion is done. It is time to turn our attention to our country's runaway spending problem and our unsustainable entitlement programs. The only way we can make meaningful progress toward reducing our deficits and eliminating our massive debt is to focus on the main drivers of these problems. The main drivers of our debts and deficits is not a lack of revenue; it is our entitlement programs.

Let's take a look at our two main health care entitlements, Medicare and Medicaid. In just the next 10 years, the Federal Government will spend more than \$12 trillion on Medicare and Medicaid. Let's put that in perspective. That is \$12 trillion on just two programs. That is more than the entire economies of Germany, France, the UK, Italy, and Spain combined. If we do not act to slow the rate of growth in these two programs, they will consume roughly 10 percent of our entire economy by the year 2035.

Medicare, by itself, spent nearly \$480 billion last year. Over the next 10 years, it will spend more than \$7 trillion. In fact, by the end of that same 10 years, we will be spending more on Medicare than on our entire national defense. The prospects for Medicare solvency only get worse as time goes on. Over the long term, Medicare has nearly \$39 trillion in unfunded liability. That is \$328,404 for every American